

State/Territory: Hawaii

Requirements for Third Party Liability -  
Payment of Claims

- (d)(1) Claims for services covered the State Plan that is provided to an individual on whose behalf child support enforcement is being carried out by the state Title IV-D Agency are paid if the provider certifies that before billing Medicaid, the provider has waited 30 days from the date of service and has not received payment from the third party. The methods used to determine the providers' compliance with the above billing requirements are:
- (a) The claim received date must be more than 30 days from the date of service;
  - (b) Provider must certify in writing that the TPL was billed and more than 30 days have elapsed; and
  - (c) Confirmation is made with the TPL on a sample basis to monitor that the provider filed a claim and payment has yet to be made.
- (2) All third party resources available to a recipient are ascertained and this TPL data is entered in the recipient's eligibility file. A provider must seek all reimbursements from the liable third party prior to Medicaid payments. Claims must be filed within a year from the date of service and only the amount remaining after third party coverage is reimbursable.
- Post payment recovery is initiated when a previously unknown third party resource becomes known. A refund is requested and if after two (2) notices, no refund is received, pending claims by a provider may be reduced by the amount of liability.
- (3) A threshold amount of \$500 is used in determining whether to seek reimbursement from a liable third party for accident or accident related cases involving liens or court action. Any liability below this amount is not pursued as non-cost effective. No specific time limits are applicable The Attorney General determines at which point in time to discontinue efforts to seek reimbursements.

For recipients' under managed care (Hawaii QUEST), the State assumes responsibility for recovery.

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- (e) The Medicaid agency ensures that in the case of individuals who are eligible for medical assistance under the plan for service(s) which a third party or parties are liable for payment, if the total amount of the established liability of the third party or parties for the service is:
- (1) Equal to or greater than the amount payable under the State Plan (which includes, when applicable, cost -sharing payments), the provider furnishing the services to the individual may not seek to collect from the individual (or any financially responsible relative or representative of that individual) any payment amount for that service; or
  - (2) Less than the amount payable under the State Plan (including cost sharing payments) the provider furnishing the service to that individual may collect from the individual (or any financially responsible relative or representative of the individual) an amount wqhich is the lesser of:
    - (a) Any cost-sharing payment amount imposed upon the individual ; or
    - (b) An amount which represents the difference between the amount payable under the State Plan (which includes, when applicable, cost-sharing payments) and the total of the established third party liability for the services (s). This claim payment function is accomplished on a claim by claim basis when reported by the caseworker, client, or provider.

The Medicaid agency also ensures that providers do not refuse to furnish services covered under the plan to an individual who is eligible for medical assistance under the plan on account of a third party's potential liability for the service(s). The methods used to ensure compliance are:

- (1) By written notification in Medicaid Newsletter; and
- (2) By pursuing enforcement when refusal to furnish services are reported by individuals to the State Agency.